



Frequently Asked Questions Proposed Repair & Replace fee

Dec. 2019

Q: Why are you proposing a flat fee of \$3.05 for all metered water customers?

A: Staff is recommending a \$3.05 fee (plus tax) to help provide the revenue stream needed to invest in the repair and replacement of our aging water infrastructure. This includes water lines, wells, reservoirs, pumps and other assets needed to continue to ensure the safe, reliable delivery of water to Buckeye residents and businesses.

Q: How long will this fee be in place?

A: We anticipate the proposed fee to last the life of the WIFA loan (25 years), but Council has requested we review it periodically in case revenue streams change substantially, either up or down.

Q: Water rates were just increased. Why do you need another fee?

A: The Buckeye City Council did not approve a proposed rate increase earlier this year (July 2019). Water rates have not increased since 2015. This proposed new fee is a flat fee for every metered water customer, and will help provide a revenue stream needed to invest in the repair and replacement of the city's aging infrastructure.

Q: Don't we already pay for repair and replacement through our CFD rates?

A: CFDs are different and separate from water rates or this proposed new flat fee. CFDs pay for the initial installation of infrastructure from the developer. The terms and conditions of each CFD differs with each development agreement, and depends on what infrastructure the developer installed in their community. The city is required to maintain, repair and replace all of this infrastructure citywide, once in place and operational. This proposed flat fee would go to the repair and replacement of this equipment throughout the city.

Q: The infrastructure in Festival and Tartesso are new compared to the rest of the city. Why should I pay for an increase that only affects the older part of the city?

A: All operating costs and revenues are tracked for the entire system. Funds from the proposed flat fee will be used citywide whenever repairs are required throughout the city, including Tartesso and Festival.

Q: How will this new fee improve water quality, attract new employers, restaurants and retail shops?

A: Water Quality - The Water Resources Department is investing in the newest well drilling technology, materials and tools in the industry to treat the water served to our customers. With these technologies we are finding better quality of water. However, the technology and construction of these new wells requires additional costs. The proposed new fee will help recover the costs associated with treating and delivering the higher quality water to Buckeye residents and businesses, ensuring the city can continue to attract new development.



Economic Development - The future of Buckeye relies on providing safe, reliable water service to both current and new residents and businesses. Having solid infrastructure in place for new businesses and developers to connect to will drive our economic development. This will make attracting employers, retail shops, restaurants and other amenities our residents deserve easier.

The city requires developers to pay Development Impact Fees (water, sewer, streets, etc.) to recover the costs each new home and business has on the system.

Q: Why are current residents subsidizing new developments?

A: The city requires developers to pay Development Impact Fees (water, sewer, streets, etc.) to recover the costs each new home and business has on the system. Through good planning current residents do not subsidize growth.

Q: How come improving water quality is so expensive in Buckeye compared to other cities?

A: Buckeye relies almost entirely on groundwater pumped from the aquifer below the city. The groundwater pumped must meet all federal standards established by the Environmental Protection Agency (EPA) (<https://www.epa.gov/dwstandardsregulations>).

Buckeye's aquifer contains high concentrates of naturally occurring minerals, which requires the city to spend additional funds to both drill newer wells to reach better quality water, and the costs to treat the water to meet EPA standards.

Q: I get my water from EPCOR or Arizona Water. Will this flat fee be on my bill too?

A: No. If adopted in January, the proposed fee will be on all Buckeye metered water accounts, (residential, commercial, multi-family and landscape). If you receive your water from a well or private a water company, such as EPCOR or Arizona Water, this proposed fee will not be on your monthly bill.

Q: Doesn't this new fee really just help the city pay off the purchase of the Global Water System?

A: The purchase of the Global Water system was completed through a previous loan. The proposed new fee will help provide additional financial security for the city to apply for new loans to help in the repair and replacement of our existing infrastructure.